

### Solicitation for Proposals

#### Study Background

Recognizing the importance of production- and distribution-oriented businesses to our local economy, the City of Minneapolis seeks to establish through statistical analysis a detailed understanding of real estate and infrastructure elements needed to strengthen the city's competitiveness in attracting and retaining quality employers in this industry sector. This study will provide decision-makers with real estate specifications required for specified types of production and distribution businesses which have a high likelihood of locating within Minneapolis.

One of the most significant challenges to job creation in this sector in Minneapolis is a lack of viable facilities in which businesses can stay, expand, or move. In November 2014, the Minneapolis Community Planning and Economic Development Department (CPED) identified 34 production or distribution businesses that were in the process of identifying new or expanded space within the city. While some were able to find space that met their needs, several located in neighboring communities.

Two previous studies commissioned by the City examined industrial land uses – the [Industrial Land Use Study and Employment Policy Plan](#) of 2006 and the [Land Capacity Analysis](#) of 2010. Both looked primarily at the aggregate supply of industrially-zoned or -used land within the city. This new study will focus instead on the types of facilities that production and distribution businesses require, irrespective of the current stock of properties within Minneapolis. City staff will then use the findings of the new study together with previous study results to help draft the City's Comprehensive Plan update and guide future policies and procedures.

#### Scope of Work

The Consultant will utilize all available data from public and/or proprietary sources on industrial real estate transactions to produce this study. Data should generally be from post-Recession (approximately 2009-present) purchase and/or lease transactions within the Minneapolis-St. Paul-Bloomington MSA. The Consultant may, at its discretion, utilize data beyond this scope to inform its analysis, provided this is made clear in the final work product.

#### Study Population

The population of study shall be limited to transactions involving end user businesses. The operations of these businesses should conform to stated [Goals & Strategic Directions](#) adopted by the City Council. Broadly, City goals are supportive of businesses which are environmentally sustainable and provide stable, well-paying jobs and other social benefits for Minneapolis communities. Ideally, these jobs would be suitable for economically disadvantaged populations in Minneapolis, such as people of color. Studied businesses should also conform to basic political, regulatory, and land constraints inherent in doing business in the city. Specifically, the study shall be limited to businesses which:

- Require no more than a maximum of 15 contiguous acres of land.
- Have little or no localized pollution impacts, including air, water, soil, and noise pollution.
- Create low to moderate levels of heavy truck traffic.
- Do not involve the use of highly volatile or dangerous materials which may create a major health threat to neighboring communities.

- Create a significant number of quality jobs in the city, as opposed to low-employment uses such as storage or data centers.

These criteria are understandably subjective, and the Consultant will collaborate with City staff to determine specifics for guiding the analysis. Given these parameters, the analysis will further focus on types of businesses which are either currently present within Minneapolis, or which the City has a high likelihood of attracting. Businesses considered likely to locate within the city include those within industries with an existing strong presence in the Minneapolis-St. Paul-Bloomington MSA, those which City staff have tracked or been aware of facing a site decision, those that are commercialized from local research institutions, and businesses in key emerging sectors as identified by the Consultant and/or City staff. Specifically, this includes, but is not limited to, businesses in the following sectors:

- Food & Beverage Manufacturing & Distribution
- Printing/Paper Products Manufacturing
- Medical & Analytical Device Manufacturing and related supply chain manufacturing
- Electrical Equipment Manufacturing
- Niche manufacturing spaces well-suited to an urban context such as maker spaces, prototyping space, or advanced manufacturing facilities

These specific business sectors may be modified by the Consultant in collaboration with City staff, but should be reflective of the goals and strategy expressed in this scope of work.

### Study Outcome

The question that the Consultant will then answer is, "Given the stated constraints, what specific real estate and infrastructure requirements are demanded by businesses that are aligned with City goals and policies and have a high likelihood of locating within the city of Minneapolis?" This will be accomplished by analyzing data on relevant real estate transactions and by synthesizing the Consultant's knowledge of pertinent real estate and industry trends. To the greatest extent possible, the analysis should conclude detailed specifications demanded by each identified category of business including, but not limited to:

- Utilities - Size and capacity of electrical, water, gas, telecom, sanitary services, etc.
- Transportation - Functional class of roadways, street width and turning radius minimums, distance from freeway or airport access, freight railway access, public transit access, etc.
- Total contiguous floor space
- Ceiling clear height
- Number and type of loading bays
- Specific space needs and amounts, such as manufacturing, storage, office, refrigerated, or clean room facilities
- Ability to operate in multi-tenant and/or multi-story real estate
- Net rent and operating costs
- Any other specifications deemed relevant by the Consultant

The results of this analysis are intended to inform City staff and officials on the types of real estate and infrastructure required for Minneapolis to remain competitive in attracting employers in the identified production and distribution sectors. City staff will combine the outcomes of this analysis with data on the existing real estate inventory of Minneapolis to produce policy recommendations that ensure a sufficient building supply that aligns with City policies.

## Deliverables

The expected output of this analysis is data on industrial real estate transactions and trends, rather than an exhaustive research report or literature review. Ideally, data will be presented in aggregated form, by business sector or type, in concisely as possible. To the extent possible, microdata on specific transactions should be included to enable further analysis by City staff. Specific deliverables include:

- Analysis work plan - no greater than one typed page - including identification of:
  - Data source(s) to be used
  - Specific business types to be analyzed
  - Timeframe and geography of data to be analyzed
  - Approximate number of transactions, by business category, to be included in analysis
  - Specific attributes (utilities, infrastructure, space needs, etc.) to be included in analysis
- Table of data, aggregated by business category, indicating minimum, median, average, and maximum values of each specification identified in the scope – or a concise narrative description, when appropriate – for each identified business category.

## Timeline

- **Solicitation Distribution:** November 18, 2015
- **Solicitation Questions Due:** November 27, 2015
- **Submission Deadline:** December 9, 2015
- **Selection Decision:** Week of December 14, 2015
- **Contract Signed:** Week of December 21, 2015
- **Deliverables Due:** March 4, 2016

## Proposal Content

Please provide a succinct narrative that addresses the following. Excluding attachments or supporting materials, please limit responses to a maximum of three pages.

- Cover page that includes the following information:
  - Proposer name, mailing address, and federal tax ID number.
  - Contact person's name, title, phone number, and e-mail address.
  - List staff and consultants involved in the project and the roles they will play.
- Project approach, quality and readiness
  - Provide a description of how your team will successfully approach the project scope of work, and the mechanisms that will be used to assure quality and readiness. Portfolio samples for similar projects are encouraged.
  - Include a specific description of the data source(s) to be utilized for the analysis.
- Experience working on similar projects
  - Provide a description of your team's experience in accomplishing similar projects.
- Project timeline
  - Provide a project timeline (in days from beginning to completion).
- Project budget
  - Provide an itemized budget for each scope requested, including a description of the services to be delivered.

## Proposal Budget

Proposal budget should be no higher than **\$45,000 (forty five thousand dollars)**.

## Proposal Questions

Prospective responders should direct questions by email to: [andrew.dahl@minneapolismn.gov](mailto:andrew.dahl@minneapolismn.gov) . All questions are due no later than November 27, 2015. Answers will be posted on CPED's website within 3 days of submission, at:

[http://www.minneapolismn.gov/cped/rfp/cped\\_rfp](http://www.minneapolismn.gov/cped/rfp/cped_rfp)

## Proposal Deadline

Proposals shall be delivered by email by **December 9, 2015 at 4:00pm** to:

Andrew Dahl, [andrew.dahl@minneapolismn.gov](mailto:andrew.dahl@minneapolismn.gov)

**Proposals received after the deadline will not be accepted.** It is neither City's responsibility nor practice to acknowledge receipt of any proposal. It is the responder's responsibility to assure that a proposal is received in a timely manner. Please make sure your proposal is complete. Incomplete proposals will not be considered.

## Selection Process

The selection of the Consultant will be at the discretion of the City of Minneapolis based on the proposal contents described above.

## Standard Agreement

The selected Consultant will be expected to sign a [Standard Agreement Form](#).